(iv) 10386 applications under the shelter upgradation component have been forwarded to banks/ HUDCO, out of which about 281 cases have been approved.

(v) 8382 Neighbourhood Group (NHGs), 1200 Neighbourhood Committees (NICs) and 444 Thrift & Credit Societies have been formed.

Rakesh Mohan Committee Report

1827. SHRI SRIBALLAV PANIGRAHI : Will the PRIME MINISTER be pleased to state :

(a) the main recommendations of the Rakesh Mohan Committee report on urban infrastructure; and

(b) the steps taken to implement the report ?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. U. VENKATESWARLU) : (a) The main recommendations of the Rakesh Mohan Committee on Urban Infrastructure are enclosed as statement.

(b) The steps taken so far to implement the recommendations of the Committee are : (i) a Drafting Committee has been constituted to develop guidelines for property tax reforms including delinking property tax base from Rent Control Act; and (ii) State Governments have been addressed to constitute Urban Development Funds/ Urban Infrastructure Finance Corporation to channelise funds available from various sources for undertaking projects in municipalities.

Statement

Recommendations of Rakesh Mohan Committee Report on Urban infrastructure

* Public-Private Partnerships (PPP) be adopted for the present. In water supply projects, it is possible to privatise sourcing, treatment and bulk supply. The retail distribution and pricing may remain with the public sector. Solid waste disposal can be privatised fully. Low Cost sanitation may be privatised fully on the model of Sulabh Shauchalaya. Maintenance of roads can be entrusted to the private sector subject to quality control.

* Differential treatment of water for different uses. Micro-level systems need to be designed to recycle water at the household level. The supply should be metered to plug leakages.

* The cost of collection, treatment and disposal of the solid waste be reduced. Greater attention to segregation of different kinds of waste at the collection point itself will reduce cost of disposal. Wherever environmentally acceptable, disposal can be decentralised to save on transportion cost.

* Proper packaging – for instance, clubbing water supply and drainage projects together – be used to reduced project cost and improve viability.

* In solid waste management, the "polluter pays" principle be applied.

* In the roads sector, apart from taxation/user charges and impact fees, costs may be recovered by giving advertisement rights (like running kiosks), long lease for trees and the right to use their product.

* The property tax base be freed from the Rent Control Act.

* The ULB be responsible for providing all urban infrastructure in the city area. The multiple agencies in charges of providing various services should be merged under the ULB.

* A state level Nodal Infrastructure Financing Corporation set up to channelise available from various sources and under various programmes to smaller municipalities.

Outstanding Loan

1828. SHRI GULAM RASOOL KAR : Will the PRIME MINISTER be pleased to state :

(a) the outstanding arrears due from Jammu and Kashmir Government to the Union Government;

(b) whether the Government of Jammu and Kashmir has represented that this loan must be written off;

(c) if so, the steps taken in this regard; and

(d) the quantum of interest paid by State Government yearly on this loan ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI S.R. BALASUBRAMONIYAN) : (a) The outstanding Government loan from Govt. of J & K to Ministry of Finance as on 31.12.1996 was Rs. 2788.51 crores.

(b) The Govt. of J & K sent a Memorandum to the Prime Minister requesting for waiver of outstanding Central loans of Rs. 1275 crores to enable it to improve the management of the deficit on the current account and for the balance, a rescheduling so that the outgo on account of servicing of loans is within manageable limits.